

REMARKS

- The present Response and Amendment is being filed in response to the Notice of Non-Compliant Amendment, mailed July 08, 2004. The only changes made to the present Response and Amendment from the one submitted on May 27, 2004 is an updating of the Status Identifiers for the claims.
- Claims 1 – 28, 34 – 43 and 47 – 52 are currently pending.
- Of the pending claims, only claims 1, 34, 40 and 47 – 52 are independent.
- Each of the pending independent claims has been amended herein.
- Claims 1 – 28, 34 – 43 and 47 – 52 stand rejected.
- Claims 18 and 19 have been indicated as allowable.

1. RCE

The present amendment is being filed in response to a Final Office Action. Accordingly, accordingly, Applicants have filed herewith a Request for Continued Examination, in accordance with 37 C.F.R. §1.114, and the requisite fee.

2. Section 101 Rejection

Claims 1 – 28 and 34 – 43 stand rejected under 35 U.S.C. §101 as being directed to non-statutory subject matter. Applicants respectfully traverse this rejection.

There is no statutory, regulatory or case law basis for the requirement that “the body of the claims set forth at least one computer-based feature responsible for providing a non-trivial feature of the invention.” Current Office Action, bottom of page 7. The only current test for statutory subject matter, as set forth by the Federal Circuit, is that the claims recite a “useful, concrete and tangible result”.

State Street Bank & Trust Co. v. Signature Fin. Group, Inc., 149 F.3d 1368, 1375, 47 USPQ2d 1596, 1602 (Fed. Cir. 1998), cert. denied, 525 U.S. 1093, 142 L.Ed.2d 704, 119 S.Ct. 851 (1999) (“For purpose of our analysis, as noted above, claim 1 is directed to a machine programmed with the Hub and Spoke software and admittedly produces a ‘useful, concrete, and tangible result.’... This renders it statutory subject matter, even if the useful result is expressed in numbers, such as price, profit, percentage, cost, or loss.”); AT & T Corp., 172 F.3d at 1361 (“[T]he focus is understood to be not on whether there is a mathematical algorithm at work, but on whether the algorithm-containing invention, as a whole, produces a tangible, useful result.”). See also, State Street Bank, 149 F.3d at 1373 (“In Alappat, we held that data, transformed by a machine through a series of mathematical calculations to produce a smooth waveform display on a rasterizer monitor, constituted a practical application of an abstract idea... because it produced ‘a useful, concrete and tangible result’ -- the smooth waveform”); State Street Bank, 149 F.3d at 1373 (“in Arrhythmia Research Technology Inc. ..., we held that the transformation of electrocardiograph signals from a patient’s heartbeat by a machine through a series of mathematical calculations constituted a practical application of an abstract idea... because it corresponded to a useful, concrete and tangible thing -- the condition of a patient’s heart” (citations omitted)).

It is noted that the threshold for utility is not high – an invention is “useful” under §101 if it is capable of providing some identifiable benefit. Juicy Whip Inc. v. Orange Bang Inc., 185 F.3d 1364, 1367, 51 USPQ2d 1700, 1703 (Fed. Cir. 1999). This is to be contrasted with an invention which “is useful only in the sense that it may be an object of scientific research.” Brenner v. Manson, 383 U.S. 519, 532 (1966). The invention must have “substantial utility”, in other words a “specific benefit” which “exists in currently available form.” Id. at 534 – 35.

While other criteria, if satisfied, may be useful in indicating the presence of a “useful, concrete and tangible result” (and therefore indicate that a claim is directed to statutory subject matter), the absence of such criteria does not preclude a finding of statutory subject matter. The “ultimate issue” always has been whether a claim as a whole is drawn to statutory subject matter. See, AT & T Corp., 172 F.3d at 1359. Such other criteria are not requirements, but merely some of several ways that can demonstrate that an invention produces a useful, concrete and tangible result.

For example, the reciting of physical limitations may be helpful, but not necessary to render a claim statutory. AT & T Corp., 172 F.3d at 1359 (“Whatever may be left of the earlier test, if anything, this type of physical limitations analysis seems of little value...”). Even where a claim incorporates a mathematical algorithm, in contrast to focusing on a physical limitations inquiry, the inquiry deemed the “ultimate issue” “focuses on whether the mathematical algorithm is applied in a practical manner to produce a useful result.” AT & T Corp., 172 F.3d at 1359 – 60.

In another example, a physical transformation by a claimed process is one example (but not a requirement) of how a mathematical algorithm may bring about a useful application. AT & T Corp., 172 F.3d at 1357. See also, Diamond v. Diehr, 450 U.S. 175, 192, 67 L.Ed.2d 155, 169, 101 S.Ct. 1048, 1059 – 60 (1981) (the “e.g.” signal denotes that physical transformation is an example, not an exclusive requirement for satisfying §101); Arrhythmia Research Tech., 958 F.2d 1053, 1060, 22 USPQ2d 1033, 1039 (Fed. Cir. 1992) (the transformation simply confirmed that Arrhythmia’s method claims satisfied §101 because the method produced a number which had specific meaning – a useful, concrete, tangible result – not a mathematical abstraction).

Certain features are not helpful to the proper analysis, and have no bearing on the presence of statutory subject matter. For example, whether a result of a claim is expressed in numbers makes no difference. State Street Bank, 149 F.3d at 1374, (“[E]ven if the useful result is expressed in numbers, such as price, profit, percentage, cost or loss,” the invention that produces that useful result is statutory); Arrhythmia, 958 F.2d at 1060 (“That the product is numerical is not a criterion of whether the claim is directed to statutory subject matter.”).

When a mathematical algorithm included within a claimed process is “applied to produce a number which had specific meaning – a useful, concrete, tangible result – not a mathematical abstraction”, that process claim satisfies §101. AT & T Corp., 172 F.3d at 1357, (citing Arrhythmia, 958 F.2d at 1060). Under the proper standard, claims have been found statutory because they produced useful results such as “a final share price”, State Street Bank, 149 F. 3d at 1373; a “value of a PIC indicator” which represents “information about the call recipient’s PIC”, AT & T Corp., 172 F.3d at 1357; and a condition of a patient’s heart, Arrhythmia, 958 F.2d at 1060.

In discussing the proper legal test, the Court of Appeals for the Federal Circuit has also acknowledged the judicially-created exceptions to statutory subject matter. See, e.g., AT & T Corp., 172 F.3d at 1355 (“[The Supreme Court] has specifically identified three categories of unpatentable subject matter: ‘laws of nature, natural phenomena, and abstract ideas.’” (quoting Diamond v. Diehr, 450 U.S. at 185)); State Street Bank, 149 F.3d at 1373. The Court also clarified that “certain types of mathematical subject matter, standing alone, represent nothing more than abstract ideas until reduced to some type of practical application, i.e., ‘a useful, concrete and tangible result.’” State Street Bank, 149 F.3d at 1373. Clearly, a claimed invention that satisfies this proper standard for statutory subject matter (e.g., by producing a useful, concrete and tangible result) cannot, by

definition, also fall within one of the judicially-created exceptions to statutory subject matter (e.g., abstract ideas).

However, despite Applicants' traversal of the §101 rejection, Applicants have amended each of the independent claims herein to recite a computer-based feature responsible for providing a non-trivial feature of the invention. Applicants have done so solely to expedite allowance of the pending claims and to claim particular embodiments of the present invention.

In particular, independent claims 1 and 34 have each been amended to recite that the second rebate is "associated with a second [or alternative] rebate in the memory of a computing device." Independent claim 40 has been amended to recite that "an offer for the second rebate is output via a point of sale terminal". Applicants thus respectfully submit that the §101 rejection has been overcome.

2. Section 112 Rejection

Claims 47 – 52 stand rejected under 35 U.S.C. §112, second paragraph, as being indefinite. In particular, it has been asserted that the limitation that the apparatus/computer medium "obtain the predetermined document" is unclear. Applicants have amended each of claims 47 – 52 to recite that "it is determined that the predetermined document has been surrendered...". Accordingly, Applicants respectfully submit that this §112 rejection has been overcome.

3. Section 103 Rejection

3(a). Claims 1 – 3, 5, 34 and 38

Claims **1 – 3, 5, 34 and 38** stand rejected under 35 U.S.C. §103(a) as being unpatentable over the article "Quaker State Reacts Quickly to Sears Bottle", Oil

Daily, April 1, 1987 by John A. Moore (“Moore” herein). Current Office Action, page 8, paragraph 2.

Applicants respectfully traverse this rejection on the grounds that Moore does not teach or suggest a “second rebate”. Rather, Moore describes that a consumer may redeem a rebate at a service counter rather than mailing it in. It is only a single rebate that is at issue in Moore, only the timing of the redemption of the single rebate being addressed.

Nevertheless, to expedite allowance of the pending claims and to claim particular embodiments of the present invention, Applicants have amended claim 1 and claim 34, the only independent claims in this group of rejected claims, to recite the following feature, which is not taught or suggested by Moore or any other prior art of record, alone or in combination:

“determining whether a second [or alternative] rebate is associated with the product in a memory of a computing device” (emphasis added)

In other words, a second (or alternative) rebate may or may not be available for a product that has a first rebate associated therewith. A memory of a computing device must be consulted to determine whether the second (or alternative) rebate is associated with the product.

In Moore, if the in-store redemption of the rebate associated with the product purchased were to be interpreted as a “second” rebate (a characterization with which Applicants disagree), it is clear that a second rebate would always be available for the purchased product. There is no disclosure or suggestion in Moore that there may be circumstances in which a customer may not be allowed to redeem the rebate in the store.

Further, in Moore there is no determining of whether the second rebate is associated with the purchased product in a memory of a computing device. Rather, the value of the rebate is provided to a customer simply if the customer walks up to the service counter with a rebate coupon. A memory of a computing device is not consulted to determine *whether* the “second” rebate is associated. For these reasons, Applicants respectfully submit that claims **1** and **34** are now in condition for allowance.

Claims **2, 3 and 5** are dependent from claim **1** and thus now include the above-discussed feature of claim **1**. Claim **38** is dependent from claim **34** and thus now includes the above-discussed feature of claim **34**. Accordingly, Applicants respectfully submit that claims **2, 3, 5 and 38** are patentable at least for the same reasons as claims **1 and 34**.

3(b). Claims 6, 16, 17, 20, 39 and 40

Claims **6, 16, 17, 20, 39 and 40** stand rejected under 35 U.S.C. §103(a) as being unpatentable over Moore in view of U.S. Patent No. 5,200,889 to Mori (“Mori” herein). Current Office Action, page 10, paragraph 3. Applicants respectfully traverse this rejection for the reasons set forth below.

Claims **6, 16, 17 and 20** are each dependent from claim **1**. Claim **39** is dependent from claim **1**. Accordingly, claims **6, 16, 17, 20 and 39** each include the amended feature discussed in Section 3(a) above. Mori, like Moore, does not teach or suggest this feature. Accordingly, Applicants respectfully suggest that claims **6, 16, 17, 20 and 39** are patentable at least for the same reasons as claims **1 and 34**.

Applicants traverse the rejection of independent claim **40** for the same reasons that the rejection of claims **1 and 34** was traversed: Moore does not teach or suggest a second rebate. However, to expedite the allowance of the pending

claims and to claim particular embodiments of the present invention, Applicants have amended claim **40** to recite the following feature, which is not taught or suggested by either Moore or Mori, alone or in combination:

wherein an offer for the second rebate is output via a point of sale terminal during a transaction in which the product is being purchased such that a value of the second rebate may be applied to the transaction by the point of sale terminal if the consumer accepts the second rebate (emphasis added)

In other words, the offer for the second rebate is output to a customer as the customer is purchasing the product that is the subject of the rebate and, if the customer accepts the second rebate, the customer need not ever provide payment for the value of the second rebate. Moore explicitly describes that the rebates “aren’t cashed at the check out.” Rather, the customer in Moore has to pay full price for the product that is the subject of the rebate while at the point of sale and subsequently go to a separate service counter to obtain a refund in the amount of the rebate. This is inconvenient to the customer, just as having to mail in a rebate is inconvenient to the customer. It further requires significant retailer resources to provide personnel to fill out the paperwork associated with the rebate and mail in the rebates. It also has a high potential for fraud and error because the retailer personnel may provide a value of a rebate to a customer who does not qualify for the rebate.

The embodiment of claim **40** overcomes the disadvantages of the prior art, including Moore. For example, in the embodiment of claim **40** a customer need not ever provide the full price of the product at the point of sale if the customer accepts the second rebate. The embodiment of claim **40** is further advantageous in that it has significantly fewer costs of handling the rebates for the retailer and

significantly reduced chance of fraud or error in providing a rebate. High rebate processing costs, fraud and mishandling of rebates are significant problems in the prior art that also exist in the Moore system, as discussed on page 1 – 2 of the specification. This is because in Moore, the providing of a rebate is still performed by a person (the service counter representative of the retailer), who provide a rebate to a customer who does not qualify for a rebate and who must spend the time to fill out the appropriate paperwork to mail in the rebate after it is provided to the customer. Since in the embodiment of claim **40** a point of sale system offers a second rebate and can apply the second rebate during the transaction, rebate processing costs and the potential for fraud or mishandling of rebates are significantly reduced.

Further, Applicants traverse the rejection of claims **6, 16, 17, 20, 39 and 40** because no motivation to combine has been provided and thus no *prima facie* case of obviousness established. It has merely been stated that “it would have been obvious....to have credited the value of the 2nd rebate to the customer’s account / card for later redemption in a manner as taught by Mori so that the user can accumulate value to be used for future purchases.” Current Office Action, page 10, paragraph 3. This assertion is merely a statement that combining the references would result in a desirable result and the claimed embodiment. A motivation to combine must be supported in the record by a particular teaching in the prior art references themselves or particular knowledge of one of ordinary skill in the art. Stating that prior art references have been combined because the combination results in Applicants’ claimed invention or an improvement of the prior art is not a proper motivation to combine. Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary

skill in the art. MPEP 706.02(j). *In re Fine*, 5 USPQ2d 1596 (Fed. Cir. 1988); *In re Jones*, 21 USPQ2d 1941 (Fed. Cir. 1992).

3(c). Claim 11

Claim 11 stands rejected under 35 U.S.C. 103(a) as being unpatentable over Moore in view of Mori and the article “Loyalty: Check It Out”. LA Times, July 08, 1994 (“LA Times” herein). Current Office Action, page 10, paragraph 4.

Claim 11 is dependent from claim 1. Accordingly, Applicants respectfully submit that claim 11 is patentable at least for the same reasons as claim 1.

Further, Applicants traverse the rejection of claim 11 because no motivation to combine the references was provided. It has merely been asserted that “it would have been obvious” to make the combination, with no reason provided therefore. Current Office Action, top of page 11. Accordingly, Applicants respectfully submit that no *prima facie* case of obviousness has been established with respect to claim 11.

3(d). Claims 12, 13, 36 and 37

Claims 12, 13, 36 and 37 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Moore in view of U.S. Patent No. 5,901,303 to Chew (“Chew” herein). Current Office Action, page 11, paragraph 4.

Claims 12 and 13 are dependent from claim 1. Claims 36 and 37 are dependent from claim 34. Accordingly, Applicants respectfully submit that claims 12, 13, 36 and 37 are patentable at least for the same reasons as claims 1 and 34.

Further, Applicants respectfully traverse the rejection of claims 12, 13, 36 and 37 because no proper motivation to combine the references has been provided, and thus no *prima facie* case of obviousness established. It has merely been

asserted that “it would have been obvious...to have changed the value of the rebates based on such manufacturer information such as sales or redemption of the current promotion campaign, so that the promotion campaign can be altered to stimulate additional sales/redemptions if the campaign was not meeting expectations.” Current Office Action, page 11, paragraph 4. However, as discussed above, this statement is insufficient as a motivation to combine because it is merely a statement of a desirable result and the claimed embodiment that would occur as a result of the combination. Further, Moore does not suggest that it would be desirable to alter a campaign based on any information, much less manufacturer information, or that a retailer may have the ability to alter a campaign or have access to such information.

3(e). Claims 14, 15 and 21 – 27

Claims **14, 15 and 21 – 27** stand rejected under 35 U.S.C. §103(a) as being unpatentable over Moore in view of Chew and LA Times. Current Office Action, page 11, paragraph 5.

Claims **14, 15 and 21 – 27** are each dependent from claim 1. Accordingly, Applicants respectfully submit that claims **14, 15 and 21 – 27** are each patentable for the same reasons as claim 1.

Further, Applicants respectfully traverse the rejection of claims **14, 15 and 21 – 27** because no motivation to combine the references has been provided. It has merely been asserted that “it would have been obvious” to make the combination, with no reason provided therefore. Current Office Action, page 11, paragraph 5. Accordingly, Applicants respectfully submit that a *prima facie* case of obviousness has not been established with respect to claims **14, 15 and 21 – 27**.

3(f). Claims 4, 28, 35 and 47 - 50

Claims **4, 28, 35 and 47 – 50** stand rejected under 35 U.S.C. §103(a) as being unpatentable over Moore in view of U.S. Patent No. 5905246 to Fajkowski (“Fajkowski” herein). Current Office Action, page 12, paragraph 5.

Claims **4 and 28** are dependent from claim **1**. Claim **35** is dependent from claim **34**. Accordingly, Applicants respectfully submit that claims **4, 28 and 35** are each patentable at least for the same reasons as claims **1 and 34**.

Claims **47 – 50** are independent claims that have each been amended to recite the same feature as discussed in Section 3(a), with respect to claims **1 and 34** (“determining whether a second (or alternative) rebate is associated with the product in a memory of a computing device”). As discussed in Section 3(a) above, Moore does not teach or disclose such a feature. Fajkowski also does not teach or suggest this feature. Accordingly, Applicants respectfully submit that claims **47 – 50** are patentable over the combination of Moore and Fajkowski.

Further, Applicants respectfully traverse the rejection of claims **4, 28, 35 and 47 – 50** because no proper motivation to combine the references has been provided and thus no *prima facie* case of obviousness has been established. Regarding claims **35 and 47 – 50**, it has merely been asserted that a desirable result and the claimed embodiment would result from the proposed combination (“it would have been obvious [to combine the references] in order to automate and manage the accounting of the rebate program”, Current Office Action, bottom of page 12 through top of page 13). As discussed above, such a statement is insufficient to satisfy the Examiner’s burden of establishing a motivation to combine. Regarding claims **4 and 28**, no motivation to combine has been provided.

3(g). Claims 7 – 10, 41 – 43, 51 and 52

Claims **7 – 10, 41 – 43, 51 and 52** stand rejected under 35 U.S.C. §103(a) as being unpatentable over Moore in view of Fajkowski and Mori. Current Office Action, page 13, paragraph 6.

Claims **7 – 10** depend from claim **1**. Accordingly, Applicants respectfully submit that claims **7 – 10** are patentable at least for the same reasons as claim **1**. Neither Fajkowski or Mori teaches or suggests the feature of “determining whether a second (or alternative) rebate is associated with the product in a memory of a computing device”. As discussed in Section 3(a), Moore also does not teach or suggest this feature. Accordingly, claims **7 – 10** are patentable over the combination of Moore, Fajkowski and Mori.

Claims **41 – 43** depend from claim **40**. Accordingly, Applicants respectfully submit that claims **41 – 43** are patentable at least for the same reasons as claim **1**. Neither Fajkowski or Mori teaches or suggests “wherein an offer for the second rebate is output via a point of sale terminal during a transaction in which the product is being purchased such that a value of the second rebate may be applied to the transaction by the point of sale terminal if the consumer accepts the second rebate”. As discussed in Section 3(a), Moore also does not teach or suggest this feature. Accordingly, claims **41 – 43** are each patentable over the combination of Moore, Fajkowski and Mori.

Claims **51 and 52** are independent apparatus and article of manufacture claims, respectively, that have been amended to recite the same feature as claim **40**: “wherein an offer for the second rebate is output via a point of sale terminal during a transaction in which the product is being purchased such that a value of the second rebate may be applied to the transaction by the point of sale terminal if the consumer accepts the second rebate”. As discussed immediately above, none of Moore, Fajkowski and Mori, alone or in combination, teaches or suggests this

feature. Accordingly, claims **51 and 52** are each patentable over the combination of Moore, Fajkowski and Mori.

Further, Applicants respectfully traverse the rejection of claims **7 – 10, 41 – 43, 51 and 52** because no proper motivation to combine the references has been provided, and thus no prima facie case of obviousness has been established. Regarding claims **7 – 10 and 41 – 43**, absolutely no motivation to combine the references has been provided. Regarding claims **51 and 52**, it has merely been asserted that “it would have been obvious [to combine the references] so that the user can accumulate value for future purchases.” Current Office Action, bottom of page 13 through top of page 14. As discussed above, such a statement of a desirable result that would occur from the proposed combination is insufficient to qualify as a proper motivation to combine.

3(h). Claims 18 and 19

Claims **18 and 19** stand as allowable if rewritten to overcome the rejection(s) under 35 U.S.C. §§101 and 112 and to include all of the limitations of the base claim and any intervening claims. Current Office Action, page 14, paragraph 6.

Applicants acknowledge the indication of the allowability of claims **18 and 19**. Applicants have refrained from amending these claims at this time, pending reconsideration of the remainder of the pending claims.

Conclusion

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Magdalena M. Fincham at telephone number (203) 461 - 7041 or via electronic mail at mfincham@walkerdigital.com.

Petition for Extension of Time to Respond

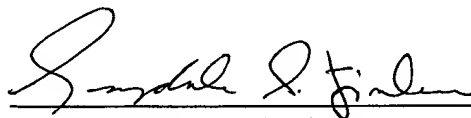
Applicants do not believe an extension of time is required with this response. However, if an extension of time should be due, Applicants hereby petition for such extension of time with which to respond to the Office Action. Please charge any additional fees that may be required for this Response, or credit any overpayment to Deposit Account No. 50-0271.

If an extension of time is required, or if an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

Charge any additional fees or credit any overpayment to the same account.

A duplicate copy of this authorization is enclosed for such purposes.

Respectfully submitted,



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July 19, 2004
Date

Conclusion

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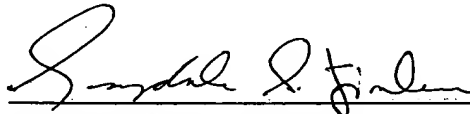
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